

EXHIBIT 2

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16 **UNITED STATES DISTRICT COURT**

17 **NORTHERN DISTRICT OF CALIFORNIA**

18 IN RE VERIFONE HOLDINGS, INC.)
 19 SECURITIES LITIGATION)
 20)
 21)
 Document Relates To:)
 22)
 23 All Actions)
 24)
 25)
 26 _____)

Master File No.
 C 07-6140 MHP

CLASS ACTION

**DECLARATION OF PRISMA
 MUTUAL FUNDS, LTD.
 IN RESPONSE TO THE COURT'S
 ORDER DATED MAY 14, 2008 RE:
 APPOINTMENT OF LEAD COUNSEL**

COURTROOM: 14
 JUDGE: Hon. Marilyn Hall Patel

27
 28 DECLARATION OF PRISMA MUTUAL FUNDS, LTD. IN RESPONSE TO THE COURT'S ORDER DATED
 MAY 14, 2008 RE: APPOINTMENT OF LEAD COUNSEL
 Master File No. C 07-6140 MHP

1
2 As a duly authorized representative of the Israeli Institutional Investor Group, Golan
3 Sapir, pursuant to 28 U.S.C. § 1746, declares as follows:

4 1. I respectfully submit this Declaration as ordered by the Honorable Marilyn Hall
5 Patel on May 14, 2008 in support of the motion of the Israeli Institutional Investor Group,
6 comprised of The Phoenix Insurance Company, Ltd., Prisma Provident Funds, Ltd., Prisma
7 Mutual Funds, Ltd., Harel Insurance Company, and Harel Pia Mutual Funds, for appointment as
8 Lead Plaintiff and approval of its selection of Lead and Liaison Counsel.

9 2. I, Golan Sapir, am the Chief Executive Officer for Prisma Mutual Funds, Ltd.
10 ("Prisma Mutual"). I am duly authorized to execute this Declaration on behalf of Prisma Mutual
11 Funds.

12 3. I respectfully submit the following information in regard to the acquisition of
13 Lipman shares by Prisma Mutual Funds, Ltd.:

15 16 17 18 19 20 21 22 23 24	Prisma Mutual held the following number of Lipman shares immediately before consummation of the merger on November 1, 2006: Prisma Mutual held the following number of Lipman shares immediately after the consummation of the merger on November 1, 2006: Prisma Mutual converted the following number of shares of Lipman to Verifone shares as part of the merger: Prisma Mutual purchased and sold Lipman shares on	0 0 0 N/A
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2 4. I respectfully submit the following information in regard to the transactions in
3 Verifone conducted by Prisma Mutual Funds, Ltd.:
4

5 Between August 30, 2006 and December 3, 2007 Prisma Mutual 6 purchased the following number of original Verifone shares – 7 not including Verifone shares gained as a result of the merger 8 with Lipman:	190,605
9 Between August 30, 2006 and December 3, 2007 Prisma Mutual 10 expended the following amount of total funds in purchasing 11 Verifone shares:	\$7,572,846.38
12 Between August 30, 2006 and December 3, 2007 Prisma Mutual 13 sold the following number of Verifone shares:	121,992
14 Between August 30, 2006 and December 3, 2007 Prisma Mutual 15 received the following amount of total funds from selling the 16 original Verifone shares:	\$5,107,251.57
17 As of December 3, 2007 Prisma Mutual retained the following 18 number of original Verifone shares:	68,613
19 Prisma Mutual paid the following amount for the shares retained 20 as of December 3, 2007	\$2,692,131.41
21 Prisma Mutual incurred the following loss due to shares retained 22 as of December 3, 2007	(\$1,332,221.75)

23
24 5. All of the shares referenced above were held by funds through which, as defined
25 in paragraphs 6 through 39 below, Prisma Mutual had exclusive authority to vote, buy, and sell
26 securities and to bring legal action.
27

1 6. Prisma B2 20-80 Pekan was the owner – the actual holder - of any Lipman and
2 Verifone shares in the Fund. The shares were held in the name of Prisma B2 20-80 Pekan.
3 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.

4 7. Prisma B4 Kochav (Pekan) was the owner – the actual holder - of any Lipman
5 and Verifone shares in the Fund. The shares were held in the name of Prisma B4 Kochav
6 (Pekan). Prisma Mutual had authority to vote those shares and the authority to buy or sell those
7 shares.

8 8. Prisma 2B Best Invest was the owner – the actual holder - of any Lipman and
9 Verifone shares in the Fund. The shares were held in the name of Prisma 2B Best Invest. Prisma
10 Mutual had authority to vote those shares and the authority to buy or sell those shares.

11 9. Prisma B2 Shekel Plus – was the owner – the actual holder - of any Lipman and
12 Verifone shares in the Fund. The shares were held in the name of Prisma B2 Shekel Plus – k.
13 Prisma B2 Shekel Plus – k (17) had authority to vote those shares and the authority to buy or sell
14 those shares.

15 10. Prisma B4 Selected Tel Aviv 25 Selected was the owner – the actual holder - of
16 any Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B4
17 Selected Tel Aviv 25. Prisma Mutual had authority to vote those shares and the authority to buy
18 or sell those shares.

19 11. Pekan D4 Israeli High-Tech was the owner – the actual holder - of any Lipman
20 and Verifone shares in the Fund. The shares were held in the name of Pekan D4 Israeli High-
21 Tech. Prisma Mutual had authority to vote those shares and the authority to buy or sell those
22 shares.

23 12. Prisma B1 Government Bonds +10 was the owner – the actual holder - of any
24 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B1

1 Government Bonds +10. Prisma Mutual had authority to vote those shares and the authority to
2 buy or sell those shares.

3 13. Pe'ilim B4, Stock Fund was the owner – the actual holder - of any Lipman and
4 Verifone shares in the Fund. The shares were held in the name of Pe'ilim B4, Stock Fund. Prisma
5 Mutual had authority to vote those shares and the authority to buy or sell those shares.
6

7 14. Prisma B1 10-90 (Pekan) was the owner – the actual holder - of any Lipman and
8 Verifone shares in the Fund. The shares were held in the name of Prisma B1 10-90 (Pekan).
9 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.
10

11 15. Prisma HIGH YIELD 0B was the owner – the actual holder - of any Lipman and
12 Verifone shares in the Fund. The shares were held in the name of Prisma HIGH YIELD 0B.
13 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.
14

15 16. Prisma B1 Dividing (Pekan) was the owner – the actual holder - of any Lipman
16 and Verifone shares in the Fund. The shares were held in the name of Prisma B1 Dividing
17 (Pekan). Prisma Mutual had authority to vote those shares and the authority to buy or sell those
shares.
18

19 17. Prisma B1 Shekels & Strategies was the owner – the actual holder - of any
20 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B1 Shekels
21 & Strategies. Prisma Mutual had authority to vote those shares and the authority to buy or sell
those shares.
22

23 18. Prisma B4 Dynamic Tel Aviv 100 was the owner – the actual holder - of any
24 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B4
25 Dynamic Tel Aviv 100. Prisma Mutual had authority to vote those shares and the authority to
26 buy or sell those shares.
27

1 19. Prisma C3 Hedging Strategies was the owner – the actual holder - of any Lipman
2 and Verifone shares in the Fund. The shares were held in the name of Prisma C3 Hedging
3 Strategies. Prisma Mutual had authority to vote those shares and the authority to buy or sell those
4 shares.

5 20. Prisma B4 Recommended Tel Aviv 100 was the owner – the actual holder - of
6 any Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B4
7 Recommended Tel Aviv 100. Prisma Mutual had authority to vote those shares and the authority
8 to buy or sell those shares.
9

10 21. Prisma B4 Selected Stock was the owner – the actual holder - of any Lipman and
11 Verifone shares in the Fund. The shares were held in the name of Prisma B4 Selected Stock.
12 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.
13

14 22. Prisma D4 Flexible (Lahak) was the owner – the actual holder - of any Lipman
15 and Verifone shares in the Fund. The shares were held in the name of Prisma D4 Flexible
16 (Lahak). Prisma Mutual had authority to vote those shares and the authority to buy or sell those
17 shares.
18

19 23. Prisma B4 Defensive MAOF was the owner – the actual holder - of any Lipman
20 and Verifone shares in the Fund. The shares were held in the name of Prisma B4 Defensive
21 MAOF. Prisma Mutual had authority to vote those shares and the authority to buy or sell those
22 shares.
23

24 24. Lahak D1 Balfour 10 - Fund was the owner – the actual holder - of any Lipman
25 and Verifone shares in the Fund. The shares were held in the name of Lahak D1 Balfour 10 -
26 Fund. Prisma Mutual had authority to vote those shares and the authority to buy or sell those
27 shares.
28

1 25. Prisma B1 Corporate Bonds +10 was the owner – the actual holder - of any
2 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B1
3 Corporate Bonds +10. Prisma Mutual had authority to vote those shares and the authority to buy
4 or sell those shares.

5 26. Prisma D4 Equities – Foreign Residents was the owner – the actual holder - of
6 any Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma D4
7 Equities – Foreign Residents. Prisma Mutual had authority to vote those shares and the authority
8 to buy or sell those shares.
9

10 27. Prisma B2, Convertible & Corporate was the owner – the actual holder - of any
11 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B2,
12 Convertible & Corporate. Prisma Mutual had authority to vote those shares and the authority to
13 buy or sell those shares.

14 28. Prisma C2, Expert 30/70 was the owner – the actual holder - of any Lipman and
15 Verifone shares in the Fund. The shares were held in the name of Prisma C2, Expert 30/70.
16 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.
17

18 29. Sfira B4, TA 100 Fund was the owner – the actual holder - of any Lipman and
19 Verifone shares in the Fund. The shares were held in the name of Sfira B4, TA 100 Fund. Prisma
20 Mutual had authority to vote those shares and the authority to buy or sell those shares.

21 30. Prisma D4 Investments (Lahak) was the owner – the actual holder - of any
22 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma D4
23 Investments (Lahak). Prisma Mutual had authority to vote those shares and the authority to buy
24 or sell those shares.
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1 31. Prisma Flexible (Lahak) was the owner – the actual holder - of any Lipman and
2 Verifone shares in the Fund. The shares were held in the name of Prisma Flexible (Lahak).
3 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.

4 32. Prisma Defensive Maof (Lahak) was the owner – the actual holder - of any
5 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma Defensive
6 Maof (Lahak). Prisma Mutual had authority to vote those shares and the authority to buy or sell
7 those shares.

8 33. Prisma High Yield (Pekan) was the owner – the actual holder - of any Lipman
9 and Verifone shares in the Fund. The shares were held in the name of Prisma High Yield
10 (Pekan). Prisma Mutual had authority to vote those shares and the authority to buy or sell those
11 shares.

12 34. Prisma 4D Capital USA (Pekan) was the owner – the actual holder - of any
13 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma 4D Capital
14 USA (Pekan). Prisma Mutual had authority to vote those shares and the authority to buy or sell
15 those shares.

16 35. Prisma Dynamic TA 100 (Dekan) was the owner – the actual holder - of any
17 Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma Dynamic
18 TA 100 (Dekan). Prisma Mutual had authority to vote those shares and the authority to buy or
19 sell those shares.

20 36. Prisma B4 Erez (Pekan) was the owner – the actual holder - of any Lipman and
21 Verifone shares in the Fund. The shares were held in the name of Prisma B4 Erez (Pekan).
22 Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.
23

37. Prisma B3 50-50 Fund was the owner – the actual holder - of any Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B3 50-50 Fund. Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.

38. Prisma B2 30-70 (Pekan) was the owner – the actual holder - of any Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma B2 30-70 (Pekan). Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.

39. Prisma Erez (Pekan) was the owner – the actual holder - of any Lipman and Verifone shares in the Fund. The shares were held in the name of Prisma Erez (Pekan). Prisma Mutual had authority to vote those shares and the authority to buy or sell those shares.

40. Prisma Mutual had no information regarding Lipman that was not generally available to the public outside of the State of Israel. Neither Prisma Mutual, nor any of its officers or directors, had any relationship with Lipman before the merger.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

June 3, 2008

Golan Sapir
Prisma Mutual

Prisma Mutual Funds Ltd.

**DECLARATION OF PRISMA MUTUAL FUNDS, LTD. IN RESPONSE TO THE COURT'S ORDER DATED
MAY 14, 2008 RE: APPOINTMENT OF LEAD COUNSEL**